

**REPORT OF THE
FINANCE COMMITTEE OF THE
BOARD OF DIRECTORS OF THE
COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

SEPTEMBER 26, 2008

ATTENDANCE

Present: Chairman David Carvalho and Directors Quin R. Golden; Luis Muñoz, MD, MPH; Heather O'Donnell, JD, LLM (4)

Absent: Directors Benn Greenspan, PhD, MPH, FACHE and Jorge Ramirez (2)

Chairman of the Board Warren L. Batts (Ex-Officio)

Also Present: Directors Hon. Jerry Butler and David Ansell, MD, MPH; Pitt Calkin – Interim Chief Financial Officer, Cook County Health and Hospitals System; Matthew B. DeLeon - Secretary to the Board of Commissioners of Cook County; Patrick T. Driscoll, Jr. – Deputy State's Attorney, Chief, Civil Actions Bureau, Office of the State's Attorney; Leslie Duffy – Director of Procurement, Cook County Health and Hospitals System; Sylvia Edwards – Chief Operating Officer, Oak Forest Hospital of Cook County; Randall Mark – Director of Policy Analysis, Cook County Health and Hospitals System; Elizabeth Reidy - Deputy Chief, Civil Actions Bureau, Office of the State's Attorney; David R. Small, Interim Chief Executive Officer, Cook County Health and Hospitals System; Jarese Wilson – Director, Cook County Department of Budget and Management

Ladies and Gentlemen:

Your Finance Committee of the Board of Directors of the Cook County Health and Hospitals System met pursuant to notice on Friday, September 26, 2008 at the hour of 10:00 A.M. at Stroger Hospital, 1901 West Harrison Street, in the fifth floor conference room, in Chicago, Illinois.

Your Finance Committee has considered the following items and upon adoption of this report, the recommendations follow.

Roll Call

Matthew B. DeLeon, Secretary to the Board, called the roll of members, and it was determined that a quorum was present.

Presentation of July 2008 Financials

Pitt Calkin, Interim Chief Financial Officer of the Cook County Health and Hospitals System appeared before the Committee, and presented the July 2008 Financials. (See Attachment #1.) He responded to several questions from Directors pertaining to the information provided. He added that when he presents the August 2008 Financials, he will present the inpatient and outpatient data separately in graphical format.

In response to a question with regard to improving the ability to estimate in order to present the accruals, Mr. Calkin stated that he will be meeting on the following Tuesday with the Chief Financial Officers of the System's institutions, the expenditure control department and the accounts payable department to craft a methodology. What may be necessary is what auditors refer to as an "out of period search." This involves physically collecting invoices from each of the large departments and placing them on a control sheet. This would be used to determine the accrual until the invoices are paid in the future.

During the discussion regarding non-operating revenues, Chairman Carvalho inquired whether a report of expenses relative to cash flow could be prepared. In particular, although the Directors have asked that information be presented in GAAP format, nonetheless the County budgeting and expenditure system is presented on a cash basis, so Directors also need to see how the System is doing on a cash basis. Mr. Calkin replied that a report exists which shows encumbrances; he could work towards creating such a report with the additional information¹.

Some questions were raised with regard to the current Limit of Liability policy; Mr. Calkin stated that he would soon be bringing policy revisions to the Committee for their consideration².

While the Committee discussed issues relative to coding, Director Ansell noted that in January, Recovery Audit Contractors (RACs) will be coming to Illinois; this program was created to detect and correct improper payments in the Medicare program. They will be examining short stays.

Mr. Small indicated that starting the following Monday, MedAssets will be evaluating the coding processes.

During the presentation of the July 2008 Financials, Chairman Carvalho noted that a quorum was no longer present. He stated that the Committee would continue to review and discuss the items, but no action would be taken by the Committee due to the lack of a quorum of members. He added that the report would still be presented to the Board indicating the Committee's review and discussion of the items, however, the items requiring action would need to be presented to the Board of Directors. These items should be placed on the Board's agenda for the meeting of October 3, 2008 for their consideration.

Contracts and Procurement Approvals*

Additional information pertaining to these items is included in Attachment #2.

*These items were reviewed, considered and discussed by those members of the Finance Committee who were present. However, due to the lack of a quorum, consideration and approval by the full Board of Directors is necessary. Although the Committee did not take formal action at the meeting, Chairman Carvalho inquired whether those members present concurred with the recommendation to approve the items presented, with the exception of those items which were withdrawn. Chairman Carvalho, Directors Golden and O'Donnell stated that they concurred.

Cooperative Educational Master Agreement

- 1.) Requesting authorization to enter into a Cooperative Educational Master Agreement between Cook County Health and Hospitals System and Weiss Memorial Hospital. This agreement covers the three year Podiatry Residency Program between Oak Forest Hospital and Weiss Memorial Hospital.

Contract Period: 7/01/08 through 6/30/16

**REPORT OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE
COOK COUNTY HEALTH AND HOSPITALS SYSTEM
SEPTEMBER 26, 2008
PAGE 3**

Request to enter into and execute contract

- | | | | |
|-----|---------------------|--|----------------|
| 2.) | Parata Systems, LLC | One-time Purchase, with the inclusion of a five year maintenance agreement | \$1,283,535.00 |
|-----|---------------------|--|----------------|

For the purchase of automated medication filling equipment for the new pharmacies that are being constructed at Stroger Hospital and Fantus Clinic.

Request to enter into and execute contract - Withdrawn

- | | | | |
|-----|------|-------------------|--------------|
| 3.) | TSO3 | One-time Purchase | \$514,000.00 |
|-----|------|-------------------|--------------|

~~For the purchase of SteriZone® 125L Ozone Sterilization system for Stroger Hospital.~~

Request to enter into and execute contracts

- 4.) For the purchase of surgical orthopaedic implant, fixative devices and consumable supplies for Stroger Hospital.

<u>Req. No.</u>	<u>Vendor</u>	<u>Amount</u>
88970568	Stryker Orthopaedics	\$3,260,816.00
88970567	Synthes, USA	1,847,213.00
88970565	Stryker Spine	1,200,000.00
88970570	Smith & Nephew Inc.	562,436.00
88970569	DePuy	425,535.00
88970571	Zimmer Daniel	367,500.00
88970572	DePuy Spine	320,000.00
88970566	Synthes Spine	<u>100,000.00</u>
		<u>\$8,083,500.00</u>

Request to Renew Contract - Withdrawn

- ~~5.) Chicago Radiation Oncology, S.C. Contract Period: 12/16/08 through 12/15/10 \$7,920,000.00~~

~~For the provision of on-site radiation therapy services for the Department of Radiology at Stroger Hospital (Contract No. 05-41-192).~~

Request to Amend Contract - Withdrawn

- 6.) ~~Requesting to amend Contract No. 05-45-55 to change the name of the vendor from the University of Illinois Medical Center (FEIN 466923) to Medtronic USA Inc. (FEIN 739897) for Purchase Order No. 162196, for the purchase of surgical supplies for the Department of Surgery for Stroger Hospital.~~

Request to Extend Contract

- 7.) Angelica Textile Services Extend from 11/1/08 through 1/31/09
For the provision of laundry linen services for the Bureau of Health Services (Contract No. 04-53-481).

Request to Extend Contract

- 8.) Northwestern Pharmaceuticals and Supply Corporation Extend from 10/1/08 through 2/28/09
For the purchase of glycohemoglobin reagent kits and supplies for the Department of Pathology at Stroger Hospital (Contract No. 05-72-230R).

Request to Extend Contract

- 9.) La Paloma Scientific Inc. Extend from 11/3/08 through 1/2/09
For the purchase of soap and detergents for the Department of Nutrition and Food Services for Stroger Hospital (Contract No. 06-84-432).

Request to Increase Contract

- 10.) PMT Corporation \$40,000.00
For the complete Halo Systems and accessories for the Department of Surgery at Stroger Hospital (Contract No. 07-45-136).

Request to Increase Contract

- 11.) Rush University Medical Center \$32,873.00
For the provision of specialized cytogenetic and/or fluorescence in-situ hybridization (FISH) laboratory testing services for the Department of Pathology (Contract No. 06-45-630). Contract ending 10/31/08.

Request to Increase Contract - Withdrawn

- ~~12.) Siemens Medical Corporation \$666,989.30~~
~~For patient statement mailer fees (Contract No. 06-41-274). Contract ending 1/09/09.~~

Request to Increase and Extend Contract

- 13.) Language Line Services Inc. Extend from 5/20/08 through 11/20/08 \$60,000.00

For the provision of telephonic interpreting services for the Bureau of Health Services (Contract No. 06-54-423R).

Request to Increase and Extend Contract

- 14.) Smith Thomas Williams Healthcare Inc. Extend from 9/6/08 through 12/6/08 \$407,040.00

For the provision of temporary radiology and laboratory staffing services for the Bureau of Health Services (Contract No. 07-72-293).

Request to award bid, and request to enter into and execute contract

- 15.) Alliance Health Services, Inc. One-time Purchase \$127,482.13
(Base Bid)

For the purchase of critical care advanced treatment beds.

Request to award bid, and request to enter into and execute contract

- 16.) Finer Foods, Inc. Contract Period: One year, to commence \$173,648.74
upon approval Sections I & II

For the purchase of fresh produce for Stroger Hospital and Oak Forest Hospital (Contract No. 08-45-225).

Request to award bid, and request to enter into and execute contract

- 17.) Northwestern Pharmaceuticals One-time Purchase \$2,221,950.00
and Supply Corporation (Alternate Bid)

For the purchase of system, computerized tomography (CT), full body, 64 slice scanning with software interface to the picture archiving and communication system (PACS) with trade-in of a Siemens Somatom plus-4 CT scanner with accessories for Stroger Hospital (Contract No. 07-73-492).

Request to award bid, rebid*, and request to enter into and execute contract

- 18.) DMS Pharmaceutical Group, Inc. Contract Period: Twenty-two \$1,263,140.67
(22) months, ending 7/31/10

For the provision of intravenous solutions, equipment and supplies. (Contract No. 08-15-529H)

*This is a partial award. Contained in the backup materials are the items for which permission to cancel and rebid is requested.

Approval of Payment

- 19.) Respiratory Health Association of Metropolitan Chicago \$1,492,526.00

For the provision of the Smoke Free Lung Health Program of Cook County, designed to expand smoking cessation services and improve asthma outcomes in Cook County.

Approval of Payment

- 20.) Midwestern University \$17,513.00

For education and training program for Emergency Medicine Residents.

Request to Increase Purchase Order

- 21.) Cox Consulting Life Safety Assessment & Documentation Review \$3,549.00

For life safety assessment and documentation review follow-up.

Permission to Advertise for Bids

- 22.) For the provision of Lexmark toner cartridges across the Cook County Health and Hospitals System (two year contract).

Request to Cancel and Rebid

- 23.) For the purchase of paper grocery bags.
Contract No. 08-15-147H.

In response to an inquiry regarding the contract with Parata Systems, LLC, for the purchase of automated medication filling equipment for the new pharmacies that are being constructed at Stroger Hospital and Fantus Clinic, Mr. Small stated that he would get additional information on the item prior to the Board's consideration of the item at its meeting on October 3, 2008³.

It was stated for the record that Directors Ansell and O'Donnell had questions pertaining to some of the withdrawn items.

During the review of the Contracts and Procurement Items, the discussion turned to the subject of general purchasing organizations (GPO). Leslie Duffy, Director of Procurement for the Cook County Health and Hospitals System, stated that efforts are ongoing. She is in the process of looking at the forty-four existing distributors, with the goal of finding primary and secondary distributors. She stated that she may be able to present information at the next Finance Committee meeting reflecting the potential savings once the contracts are converted⁴. Chairman Carvalho encouraged Ms. Duffy to evaluate the GPO possibilities without regard to any impediments that may exist under existing County ordinances so that the County Board could be informed of all possible savings, including savings that may require changes to existing ordinances.

Consideration and Approval of Proposed Fiscal Year 2009 Budget
Cook County Health and Hospitals System

Mr. Calkin presented to the Committee a draft proposal for the System's Proposed Fiscal Year 2009 Budget.

Discussion and review proceeded, on issues including, but not limited to, those with regard to efficiencies, supply chain improvements, critical infrastructure needs, staffing, employee benefits and program additions. Mr. Calkin and Mr. Small responded to several questions from Directors on the information presented.

During the discussion of critical infrastructure needs, Director O'Donnell inquired whether a plan was in place to return for the Board's future consideration in the following fiscal years those needs that do not get funding this year. Mr. Small stated that the plan would be added.

Chairman Carvalho requested a cost/revenue analysis on filling Medicaid prescriptions⁵. In particular, does the System make money filling Medicaid prescriptions or lose money and if the latter, is it advisable to expand capacity rather than re-directing Medicaid patients to other sources?

After the presentation, Mr. Small asked the Committee for direction on how to proceed at this point. He noted that Jarese Wilson, Director of the Cook County Department of Budget and Management, was present.

Ms. Wilson stated that loading the System's proposed budget into the County's Budget System, albeit on a "tentative" basis, would help with balancing if it were loaded now; the Health System is the only department left that has not submitted its proposed budget.

Mr. Small stated that the budget could be fully loaded in, pending further Board approval.

Chairman Carvalho, Director Golden and Director O'Donnell concurred on the recommendation to the Board of Directors and the administration that the proposed budget, as presented as a draft outline at this meeting, be loaded into the County's Budget system now, subject to further possible refinements.

New Business

Director Golden provided an update with regard to Strategic Planning efforts. She indicated that the group has identified a need for a consultant to work with the Board and the Strategic Planning Committee. This assistance is needed for the large planning process, particularly to help with the gathering and analysis of information and the preparations of materials for the meeting in October or November.

Chairman Carvalho suggested that Director Golden work with Mr. Small to prepare a contract to bring back to the Finance Committee in order to secure such services.

Review and discussion of the following:

- Report of the Finance Committee for the meeting of August 18, 2008 (deferred on September 12, 2008).
- Report of the Finance Committee for the meeting of September 12, 2008.

Chairman Carvalho stated that discussion would be deferred on these items at this meeting.

Public Comments

Chairman Carvalho asked the Secretary to call upon the registered speakers.

Secretary DeLeon replied that there were none.

Adjournment

Chairman Carvalho declared the meeting adjourned.

Respectfully submitted,
Finance Committee of the
Board of Directors of the
Cook County Health and Hospitals System



Mr. David Carvalho, Chairman

Attest:


Matthew B. DeLeon, Secretary

The following was requested or was indicated as a follow-up item at this meeting:

- ¹ Request for a report of expenses relative to cash flow. On page 2. (Pitt Calkin)
- ² Follow-up on possible revisions to Limitation of Liability policy. On page 2. (Pitt Calkin)
- ³ Additional information to be provided for request to enter into and execute contract with Parata Systems, LLC, for the October 3, 2008 Board Meeting. On page 6. (David Small)
- ⁴ Information to be provided on potential savings/GPO. On page 6. (Leslie Duffy)
- ⁵ Request for a cost/revenue analysis on filling Medicaid prescriptions. On page 7. (David Small)

Attachment #1

Cook County Health and Hospitals System

Income Statement for the Eight Months Ended
July 31, 2008

As of 9-23-2008

INDEX

- 1) Management Discussion and Analysis
- 2) Income statement
- 3) Statistics
- 4) Payer Mix
- 5) Top Ten DRGs for Each Facility
- 6) Performance summary: Eligibility Referrals

Summary

The operating performance of the Cook County Health and Hospitals System was below the budget by approximately 1.5%. The lower than expected operating performance was the result of lower than budget operating revenue year to date that was not offset by a reduced level of year to date expenses at the end of July. Revenue was below the budget by \$36,254,987. Operating expenses year to date were below the budget by \$30,334,720 at the end of July.

Operating Revenue

Total operating revenue was below the budget by over 12% year to date at the end of July. At the end of June year to date revenue was below the budget by a similar level. Patient fee revenue and revenue from Intergovernmental Transfers were below budget at the end of July. The shortfall of fee revenue and IGT revenue were partially offset by a favorable year to date level of other revenue.

The System management continues to work with the officials of the state Medicaid program to complete the account reconciliations. It is hoped that the potential increased revenue from the reconciliations of an estimated 11.6 million dollars would offset a portion of the over 15 million dollar reduction in the IGT revenue.

The System will continue to work with Medassets to improve the charging, billing and collection of patient fee revenue. It is hoped that the level of collections can be increased by the end of the fiscal year. The System currently projects that patient fee revenue will be below the budget by approximately 36.4 million dollars at year end.

Operating Expenses

The System's operating expenses were below the budget by \$30,334,720 or 4.3% year to date at the end of July. The favorable level of expenses was at the end of July primarily the result of lower than planned expenses for supplies, purchased services, and utilities. Salaries, wages and benefits were slightly over budget year to date at the end of July.

Salaries and Wages (\$565,295) or -.2%

Salaries and wages exceed the budget at the end of July. The budget was spread to the months of the fiscal year on an even basis through out the fiscal

year. The impact of summer vacations and the July 4th holiday on replacement time have contributed to the unfavorable variance. The level of labor related expense will continue to be monitored closely with an additional emphasis on the use of overtime.

Supplies \$8,069,842 or 8.2%

Supply expense continues to be estimated by adding an accrual of 60% to the actual amounts paid by the county. This method is not ideal and the System finance staff will continue to explore ways to improve the accuracy of the estimates for supply expense.

Purchased Services, Rental, and Other \$21,194,299 or 21.1%

The same methodology for the estimation of supply expense is used to estimate expenses for this category.

Utilities \$1,737,062 or 12.4%

The estimates for utility expense are based on reports of actual payments by the County for System facilities. The 2008 budget was assigned to periods without any adjustment for the prior seasonal pattern of expense. It should be possible next year to provide a better seasonal match of the budget and actual expense for utilities now that the system receives regular information from the County.

Year to Date Expense per Adjusted Patient Day

A comparison of expenses per unit is as follows:

Stroger

Category	May YTD	June YTD	July YTD
Salaries and Wages	1,832.10	1,894.20	1,916.07
Benefits	701.53	708.53	714.40
Supplies	415.38	459.05	582.68
Purchased Services	380.96	439.15	433.42
Depreciation	207.35	208.17	209.27
Utilities	54.02	61.47	67.53
Contributed Services	16.05	16.12	16.21
Total	3,607.39	3,786.69	3,939.58

Oak Forest

Category	May YTD	June YTD	July YTD
Salaries and Wages	1,850.95	1,891.73	1909.29
Benefits	736.61	734.44	737.97
Supplies	303.17	326.01	359.90
Purchased Services	245.91	273.83	439.60
Depreciation	136.79	135.33	135.46
Utilities	67.18	94.83	96.19
Contributed Services	16.48	16.30	16.31
Total	3,357.09	3,472.47	3,694.72

Provident

Category	May YTD	June YTD	July YTD
Salaries and Wages	1,894.24	1,904.31	1,916.97
Benefits	712.97	708.32	709.70
Supplies	329.54	366.72	394.63
Purchased Services	418.89	589.58	642.92
Depreciation	107.17	106.90	106.65
Utilities	48.30	67.02	68.75
Contributed Services	80.85	80.65	80.46
Total	3,591.96	3,823.50	3,920.08

Volume

The year to date inpatient volume of the System through the month of July has exceeded the planned level of activity in the budget by approximately 5%. The volume of fiscal 2008 outpatient services through the end of July has been below the budget. Emergency Room visits are below the budget at all three inpatient facilities by a total of 3839 visits or 2.9%. The visits to the ACHN clinics are also down year to date through the end of July by 2.4% or 9633 visits.

Non Operating Revenue

The actual year to date non-operating revenue is below the budget by 8.6% or \$29,878,870. The non-operating revenue obtained from sales taxes is expected to increase for the balance of the fiscal year. The new higher rate for Cook County sales tax rate was implemented on July 1, 2008.

Cook County Health Facilities Fund of Illinois
Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis
For Eight Months Ending July 31, 2008

CONSOLIDATED

	Total for Eight Months Ending July 31, 2008	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<u>Operating revenue</u>				
Patient Service Revenue	\$ 168,717,810	\$ 197,907,420	\$ (29,189,610)	-14.7%
Inter-Governmental Transfers (IGT)	82,398,858	92,401,709	(10,002,750)	-10.8%
Total Patient Service Revenue	251,116,668	290,309,129	(39,192,360)	-13.5%
Other revenue	4,711,709	1,774,337	2,937,373	165.5%
Total operating revenue	255,828,377	292,083,466	(36,254,987)	-12.4%
<u>Operating expenses</u>				
Salaries and wages	328,817,855	328,052,360	(565,285)	-0.2%
Employee benefits	123,044,710	122,943,531	(101,188)	-0.1%
Supplies	90,227,518	90,297,360	8,069,842	8.2%
Purchased services, rental and other	79,341,043	100,535,342	21,194,299	21.1%
Depreciation	31,748,715	31,748,715	0	0.0%
Utilities	12,313,774	11,050,036	1,737,082	12.4%
Services contributed by other County offices	4,262,311	4,262,311	-	0.0%
Total operating expenses	689,555,736	699,890,456	30,334,720	4.3%
Operating Loss	(433,727,257)	(407,806,990)	(5,920,267)	1.5%
<u>Nonoperating revenue (expense)</u>				
Property taxes	85,223,190	86,258,750	(1,035,560)	-1.1%
Sales taxes	89,880,157	87,758,587	(18,076,530)	-20.6%
Cigarette taxes	65,802,904	93,866,667	(10,863,762)	-11.2%
Interest income	85,982	-	85,982	0.0%
Retirement plan contribution	64,222,150	64,222,150	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	4,262,311	4,262,311	-	0.0%
Total nonoperating revenue	319,287,703	349,166,573	(29,878,870)	-8.6%
Income (Loss) before other revenue, expenses, gains, losses and transfers	(94,439,554)	(58,640,417)	(35,799,137)	61.0%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (94,439,554)	\$ (58,640,417)	\$ (35,799,137)	61.0%

Combining Statement of Revenues, Expenses,
and Changes in Net Assets of Operating Accounts - Modified Accrual Basis
For Eight Months Ending July 31, 2008

COMBINED

	John H. Stroger, Jr Hospital	Oak Forest Hospital	Provident Hospital	Total
<u>Operating revenue</u>				
Patient Service Revenue	\$ 125,024,973	\$ 22,987,582	\$ 20,705,255	\$ 168,717,810
Inter-Governmental Transfers (IGT)	58,153,098	13,360,582	10,065,278.56	82,398,959
Total Patient Service Revenue	183,178,071	36,300,164	31,570,534	251,116,769
Other revenue	4,176,784	290,210	244,710.20	4,711,709
Total operating revenue	187,354,855	36,590,374	31,815,250	255,828,479
<u>Operating expenses</u>				
Salaries and wages	236,015,581	46,477,507	44,124,557	328,017,055
Employee benefits	86,744,301	17,964,369	16,335,050	123,044,718
Supplies	72,362,876	8,761,048	9,083,594	90,227,518
Purchased services, rental and other	53,640,854	10,701,351	14,798,838	79,341,043
Depreciation	25,998,189	3,207,856	2,454,871	31,740,715
Utilities	3,389,783	2,341,565	1,582,446	12,313,774
Services contributed by other County offices	2,013,046	397,234	1,852,031	4,262,311
Total operating expenses	489,382,619	89,940,721	80,232,388	659,555,736
Operating Loss	(302,027,764)	(53,202,347)	(58,417,148)	(413,727,257)
<u>Nonoperating revenue (expense)</u>				
Property taxes	69,502,107	11,599,270	15,061,814	95,223,190
Sales taxes	50,170,713	8,487,540	11,021,803	69,680,157
Cigarette taxes	61,779,323	10,451,775	13,571,808	86,802,904
Interest income	68,001	14,812	12,360	86,082
Retirement plan contribution	46,139,510	9,644,888	8,437,783	64,222,159
Working cash revenue	-	-	-	-
Services contributed by other County offices	2,013,046	397,234	1,852,031	4,262,311
Total nonoperating revenue	220,734,500	40,595,818	49,057,387	319,287,703
Income (Loss) before other revenue, expenses, gains, losses and transfers	(73,293,264)	(12,606,531)	(8,459,759)	(94,439,554)
Income (Loss) on disposal of fixed assets	-	-	-	-
Capital contributions	-	-	-	-
Change in net assets	\$ (73,293,264)	\$ (12,606,531)	\$ (8,459,759)	\$ (94,439,554)

Cook County Health Facilities Fund of Illinois
Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis
For Eight Months Ending July 31, 2008

John H. Stroger, Jr., Hospital of Cook County

	Total for Eight Months Ending July 31, 2008	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<u>Operating revenue</u>				
Patient Service Revenue	\$ 126,024,873	\$ 147,944,840	\$ (22,919,867)	-15.5%
Inter-Governmental Transfers (IGT)	58,153,098	65,212,543	(7,059,445)	-10.8%
Total Patient Service Revenue	183,178,071	213,157,383	(29,979,312)	-14.1%
Other revenue	4,176,784	1,693,000	2,583,784	182.2%
Total operating revenue	187,354,855	214,750,383	(27,395,528)	-12.8%
<u>Operating expenses</u>				
Salaries and wages	238,015,591	239,727,482	1,711,891	0.7%
Employee benefits	88,744,301	89,050,720	306,428	0.3%
Supplies	72,382,876	75,509,227	3,126,351	4.1%
Purchased services, rental and other	53,840,854	69,754,231	15,913,378	22.8%
Depreciation*	25,006,180	25,096,109	0	0.0%
Utilities	8,369,703	10,172,875	1,703,212	17.5%
Services contributed by other County offices	2,013,046	2,013,046	(0)	0.0%
Total operating expenses	489,382,819	512,223,870	22,841,260	4.5%
Operating Loss	(302,027,964)	(287,473,486)	(4,554,268)	1.5%
<u>Nonoperating revenue (expense)</u>				
Property taxes	58,562,107	69,219,887	(857,580)	-0.9%
Sales taxes	50,170,713	63,105,833	(12,935,120)	-20.6%
Cigarette taxes	61,779,323	69,613,000	(7,733,677)	-11.1%
Interest income	69,801	-	69,801	0.0%
Retirement plan contribution	48,139,510	48,139,510	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	2,013,046	2,013,046	0	0.0%
Total nonoperating revenue	228,734,500	249,991,056	(21,256,555)	-8.5%
Income (Loss) before other revenue, expenses, gains, losses and transfers	(73,293,264)	(47,482,440)	(25,810,824)	54.4%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (73,293,264)	\$ (47,482,440)	\$ (25,810,824)	54.4%

Cook County Health Facilities Fund of Illinois
Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis
For Eight Months Ending July 31, 2008

Oak Forest Hospital of Cook County

	Total for Eight Months Ending July 31, 2008	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<u>Operating revenue</u>				
Patient Service Revenue	\$ 22,987,582	\$ 22,448,376	\$ 539,206	2.4%
Inter-Governmental Transfers (IGT)	13,380,682	15,004,807	(1,624,324)	-10.8%
Total Patient Service Revenue	36,368,164	37,453,203	(1,085,118)	-2.9%
Other revenue	290,210	81,337	208,873	256.6%
Total operating revenue	36,658,374	37,534,619	(876,245)	-2.3%
<u>Operating expenses</u>				
Salaries and wages	46,477,507	43,895,985	(2,581,522)	-5.9%
Employee benefits	17,964,359	17,502,287	(462,092)	-2.6%
Supplies	8,781,048	11,387,570	2,626,522	23.1%
Purchased services, rental and other	10,701,351	14,727,321	4,026,970	27.3%
Depreciation	3,297,868	3,297,868	0	0.0%
Utilities	2,341,686	2,392,704	51,139	2.1%
Services contributed by other County offices	397,234	397,234	-	0.0%
Total operating expenses	89,940,721	93,600,737	3,660,018	3.9%
Operating Loss	(53,282,347)	(56,066,118)	2,783,771	-5.0%
<u>Nonoperating revenue (expense)</u>				
Property taxes	11,599,270	11,582,815	16,454	0.1%
Sales taxes	8,487,840	10,559,762	(2,071,922)	-19.6%
Cigarette taxes	10,451,775	11,631,900	(1,180,125)	-10.1%
Interest income	14,812	-	14,812	0.0%
Retirement plan contribution	9,644,888	9,644,888	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	397,234	397,234	-	0.0%
Total nonoperating revenue	40,595,816	43,816,587	(3,220,781)	-7.4%
Income (Loss) before other revenue, expenses, gains, losses and transfers	(12,686,531)	(12,249,521)	(437,010)	3.6%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (12,686,531)	\$ (12,249,521)	\$ (437,010)	3.6%

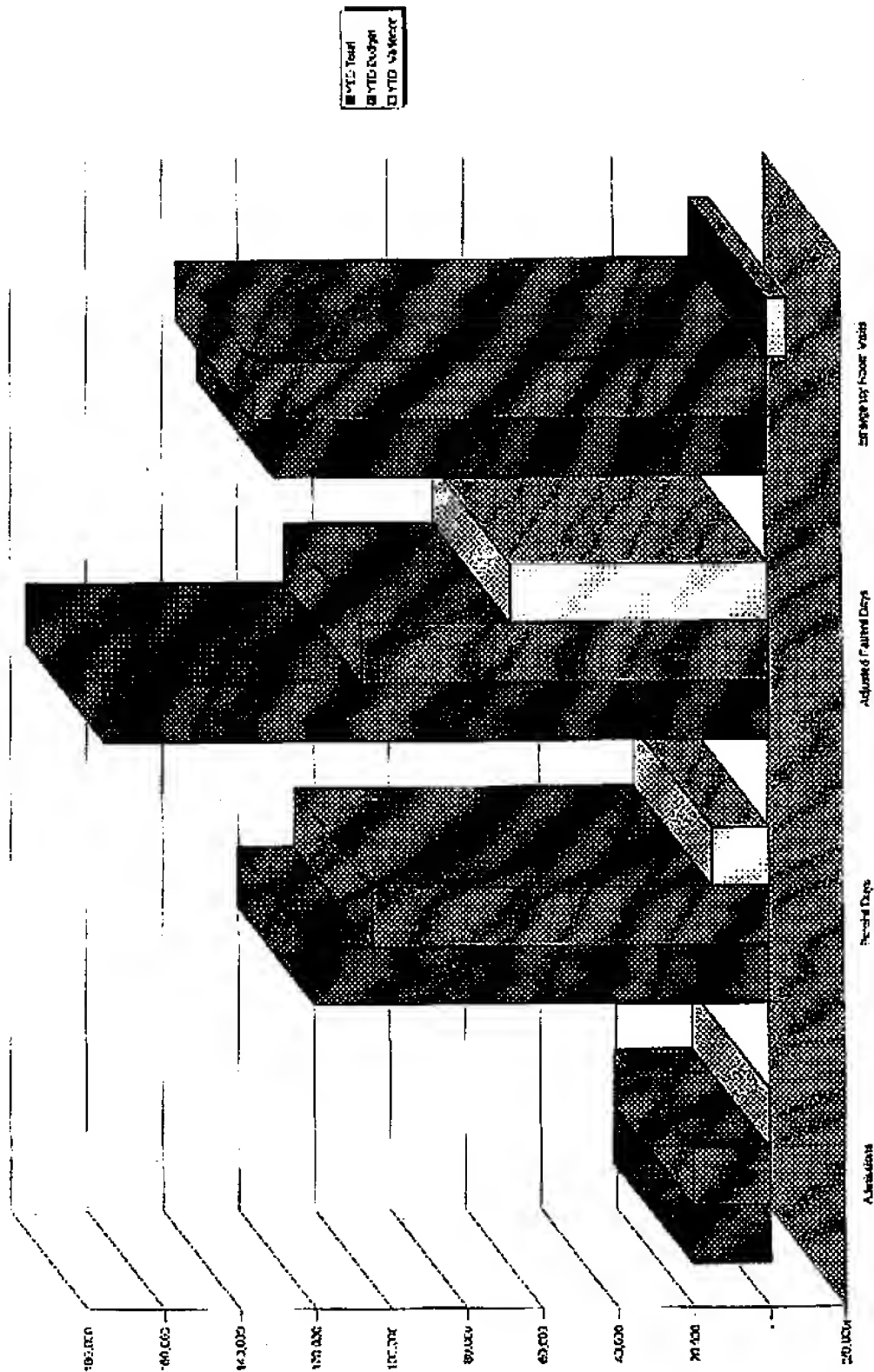
Cook County Health Facilities Fund of Illinois
Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis
For Eight Months Ending July 31, 2008

Provident Hospital of Cook County

	Total for Eight Months Ending July 31, 2008	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<u>Operating revenue</u>				
Patient Service Revenue	\$ 20,706,255	\$ 27,514,204	\$ (6,808,949)	-24.7%
Inter-Governmental Transfers (IGT)	10,886,279	12,104,260	(1,318,981)	-10.8%
Total Patient Service Revenue	31,570,634	39,698,464	(8,127,930)	-20.5%
Other revenue	244,716	100,000	144,716	144.7%
Total operating revenue	31,815,250	39,798,464	(7,983,214)	-20.1%
<u>Operating expenses</u>				
Salaries and wages	44,524,557	44,428,893	904,336	0.7%
Employee benefits	16,336,059	16,390,535	54,470	0.3%
Supplies	9,083,594	11,400,583	2,316,970	20.3%
Purchased services, rental and other	14,798,838	16,053,700	1,254,862	7.8%
Depreciation	2,454,871	2,454,871	(0)	0.0%
Utilities	1,582,448	1,485,157	(97,289)	-6.6%
Services contributed by other County offices	1,852,031	1,852,031	0	0.0%
Total operating expenses	90,232,396	94,065,840	3,833,444	4.1%
Operating loss	(68,417,146)	(54,267,377)	(14,149,769)	7.8%
<u>Nonoperating revenue (expense)</u>				
Property taxes	15,061,014	15,456,287	(394,454)	-2.6%
Sales taxes	11,021,603	14,091,091	(3,069,488)	-21.8%
Cigarette taxes	13,571,806	15,521,767	(1,949,961)	-12.6%
Interest income	12,369	-	12,369	0.0%
Retirement plan contribution	8,437,783	8,437,783	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	1,852,031	1,852,031	(0)	0.0%
Total nonoperating revenue	49,957,387	55,358,920	(5,401,533)	-9.8%
Income (loss) before other revenue, expenses, gains, losses and transfers	(6,459,759)	1,091,544	(9,551,303)	-875.0%
Income (loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (6,459,759)	\$ 1,091,544	\$ (9,551,303)	-875.0%

Cook County Health Hospital System Utilization Factors YTD July 2008

System Hospitals Combined



**Cook County Health & Hospitals System
Utilization Factors**

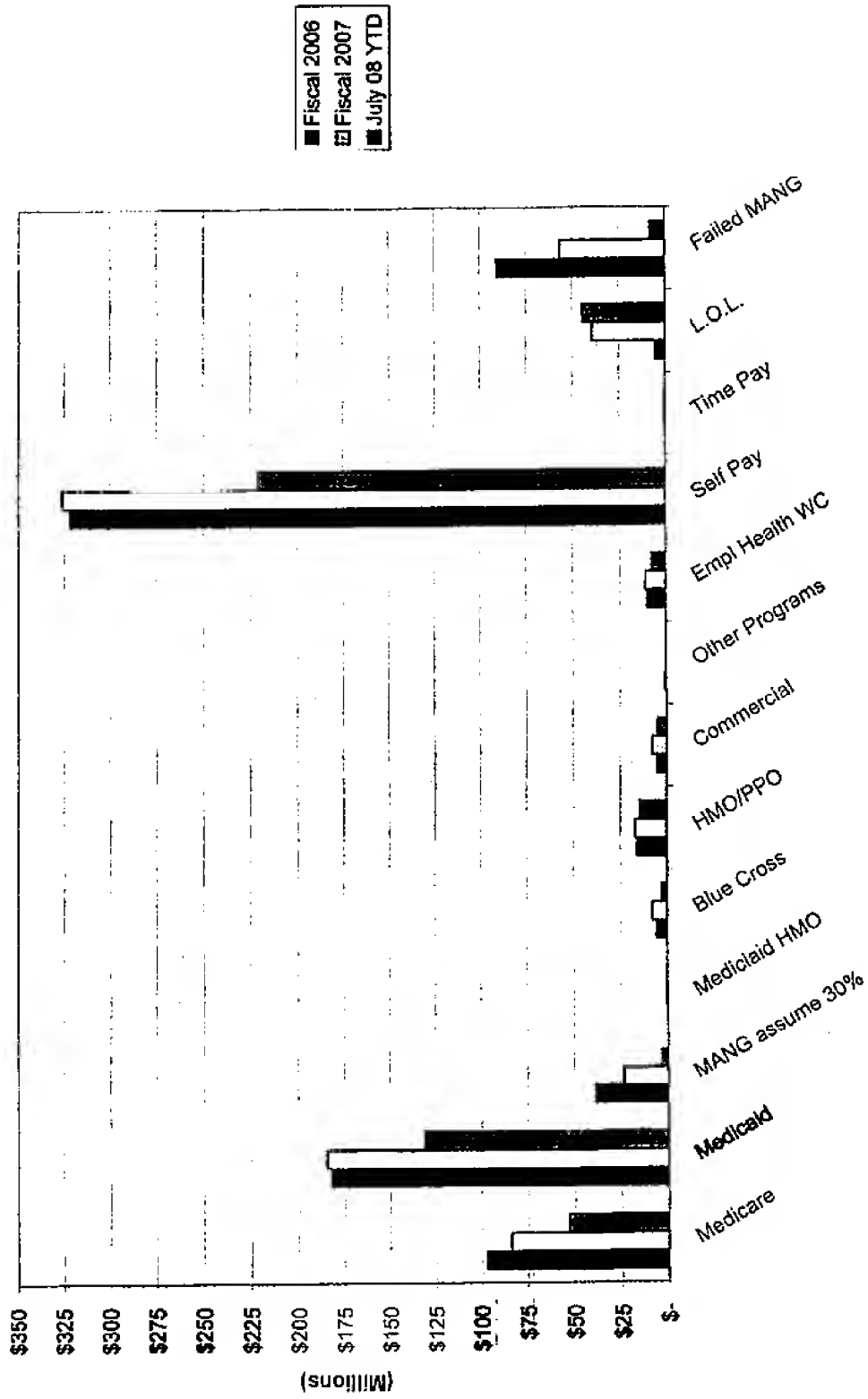
	July	YTD Total	YTD Budget	YTD Variance	% Variance
<u>J.H. Stroger Hospital</u>					
Admissions	1,889	15,177	15,610	(333)	-0.21%
Patient days	9,367	86,637	76,000	10,637	14.00%
Adjusted Patient Days	14,951	124,222	82,820	41,302	49.81%
Emergency Room Visits	10,524	96,612	97,454	(842)	-0.86%
FTE's per Adjusted Occupied Bed**	8.8		8.4	(8)	-100.00%
Case Mix Index	1.2768				
Average Length of Stay	6.1		4.8	(5)	-100.00%

<u>Provident Hospital</u>					
Admissions	450	3,399	3,488	(69)	-1.99%
Patient days	1,706	15,594	15,510	84	0.54%
Adjusted Patient Days	2,025	27,289	12,146	15,123	124.51%
Emergency Room Visits	3,373	26,681	29,042	(2,361)	-8.13%
FTE's per Adjusted Occupied Bed**	7		10	(10)	-100.00%
Case Mix Index	0.9324				
Average Length of Stay	4.4	4.0	3.8	0	3.25%

<u>Oak Forest Hospital</u>					
Admissions	210	1,788	1,502	286	19.04%
Patient days	1,095	18,059	13,633	4,426	32.48%
Adjusted Patient Days	3,022	24,343	12,667	11,685	92.32%
Emergency Room Visits	2,533	10,821	20,769	(1,938)	-0.33%
FTE's per Adjusted Occupied Bed**	10		14.1	(14)	-100.00%
Case Mix Index	1.0654				
Average Length of Stay - Acute	6.5	6.1	7.9	(2)	-22.76%
Average Length of Stay - Rehab	16.1	16.2	15.2	-	0.00%

Combined Inpatient Outpatient Payer Mix

Cook County Health & Hospitals System



Cook County Health and Hospitals System

Top Ten DRG's for Each Facility

Rank	<u>John H. Stroger Hospital</u>	DRG #	# of Cases	Pt Days	ALOS	MC/ALOS
1	Esophagitis, Gastroent & Misc digestive disorders w/o MCC	392	57	139	2.44	2.8
2	Normal Newborn	795	56	208	3.71	n/a
3	Vaginal Delivery w/o complicating diagnoses	775	42	127	3.02	2.1
4	Chest Pain	313	41	70	1.71	1.7
5	Red Blood Cell disorders w/o MCC	812	38	109	2.87	2.8
6	Cellulitis w/o MCC	603	28	93	3.32	3.9
7	HIV w or w/o other related conditions	977	28	104	3.71	3.8
8	Peripheral Vascular Disorders w/o CC/MCC	301	24	46	1.92	3.1
9	Kidney & Urinary track infections	690	24	86	3.58	3.6
10	Other antepartum diagnoses w medical complications	781	21	44	2.10	2.7
Rank	<u>Oak Forest Hospital</u>	DRG #	# of Cases	Pt Days	ALOS	MC/ALOS
1	Chest Pain	313	24	55	2.29	1.7
2	Cellulitis w/o MCC	603	15	76	5.07	3.9
3	Esophagitis, Gastroent & Misc digestive disorders w/o MCC	392	12	42	3.50	2.8
4	Red Blood Cell disorders w/o MCC	812	7	16	2.29	2.8
5	Heart Failure & Shock w/o CC/MCC	293	6	17	2.83	3.1
6	Cardiac Arrhythmia & Conduction disorders w/o CC/MCC	310	6	15	2.50	2.3
7	Syncope & Collapse	312	6	25	4.17	2.5
8	Kidney & Urinary track infections	690	6	10	1.67	3.6
9	Bronchitis & Asthma w/o CC/MCC	203	5	23	4.60	2.9
10	Respiratory system diagnosis with ventilator support 96 + hours	207	5	373	74.60	12.6
Rank	<u>Provident Hospital</u>	DRG #	# of Cases	Pt Days	ALOS	MC/ALOS
1	Chest Pain	313	49	124	2.53	1.7
2	Bronchitis & Asthma w/o CC/MCC	203	18	50	2.78	2.9
3	Vaginal Delivery w/o complicating diagnoses	775	18	45	2.50	2.1
4	Heart Failure & Shock w/o CC/MCC	293	17	41	2.41	3.1
5	Normal Newborn	795	15	38	2.53	n/a
6	Poisoning & toxic effects of drugs w/o MCC	918	12	19	1.58	2.1
7	Cardiac Arrhythmia & Conduction disorders w/o CC/MCC	310	10	30	3.00	2.3
8	Hypertension w/o MCC	305	9	23	2.56	2.3
9	Syncope & Collapse	312	9	34	3.78	2.5
10	Uterine & Adnexa proc for non-malignancy w/o CC/MCC	743	9	26	2.89	2.1

**Cook County Health and Hospitals System
Performance Summary - Eligibility Referrals
For the Eight Months Ending July 31, 2008**

	Great Lakes Medicaid, Inc.	ESI	HRM Consultants, Inc.	Chamberlin Edmonds	Total
<u>John H. Stroger Hospital</u>					
Referred	1681	1552	1162	2785	7180
Total Approved	380	162	156	1734	2412
Approval Rate for the period	21.42%	10.44%	13.43%	62.26%	33.59%
<u>Provident Hospital</u>					
Referred	797	479	405	n/a	1681
Total Approved	239	114	140		493
Approval Rate for the period	29.99%	23.80%	34.57%		29.33%
<u>Oak Forest Hospital</u>					
Referred	161	175	146	n/a	482
Total Approved	46	61	28		135
Approval Rate for the period	28.57%	34.86%	19.18%		28.01%
 Bureau Total Approval Rate	 24.44%	 15.28%	 18.91%	 62.26%	 32.54%

Attachment #2

Cook County Health and Hospitals System

Contract Item for Board Approval

Sponsor: Sylvia Edwards, R.N., M.B.A.
Chief Operating Officer

Operating Unit: Oak Forest Hospital of Cook County

Description of Service: Cooperative Educational Master Agreement between Cook County Health and Hospital System and its Oak Forest Hospital and Weiss Memorial Hospital. This agreement covers the three year Podiatry Residency Program between Oak Forest Hospital and Weiss Memorial Hospital.

Justification for this contract: The Podiatry Residents will do their clinical rotation at Oak Forest Hospital for the first year, the second and third year rotations will be at Weiss Memorial Hospital. Contract period: July 1, 2008 through June 30, 2016.

Cost of the contract and terms: No fiscal impact

Budget information: No fiscal impact

Signatures:

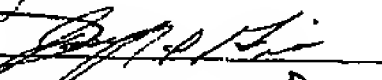
Sponsor



Operating Unit CFO



CCHHS Director
of Purchasing



CCHHS COO



Cook County Health and Hospitals System

Contract Item for Board Approval

Sponsor: Martin Grant, R.Ph., Health and Hospital System Pharmacy Director

Operating Unit: Health and Hospital System Pharmacy Administration

Description of Service: This contract is for the purchase of automated medication filling equipment for the new pharmacies that are being constructed by Cook County Capital Planning and Policy at both John H. Stroger Jr Hospital and the Fantus Clinic

Justification for this contract: The equipment is needed in order to outfit the new pharmacies being constructed with automation. This equipment by Parata Systems, LLC that is being requested is the same equipment that will be in use at the existing Stroger and Fantus pharmacies.

Cost of the contract and terms: This is a one time purchase with the inclusion of a 5 year maintenance agreement commencing after the equipment is installed. The cost of this contract including installation is \$1,283,535.

Budget Information: The cost for this contract has been provided for within the current capital budget for Capital Planning & Policy, Budget Unit # 7170031, Account # 567021.



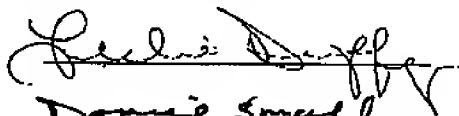
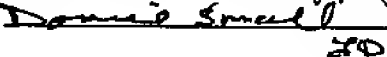
Signatures:

Sponsor

Operating Unit CFO

CCHHS Director
of Purchasing

CCHHS COO





20

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

WITHDRAWN

Date: September 22, 2008

Sponsor: Richard Keen, M.D.
Chairman

Operating Unit: Department of Surgery, Bureau of Health Systems

**Description of
Services:**

Request to enter into a new contract with TSO3, Dalton, Canada, for purchase of SteriZone® 125L Ozone Sterilization system for John H. Stroger, Jr., Hospital, of Cook County Hospital.

**Justification for
This Contract:**

TSO3 is the sole manufacturer and distributor of the SteriZone® 125L Ozone Sterilizer. There are no like products available.

Cost of the

Current Contract:

Fiscal Impact: \$514,000.00 (one time)

Sufficient funds have been appropriated to cover this request

Budget Information: (717/897 - 450 Account)

Signatures:

Sponsor

 *Richard Keen*

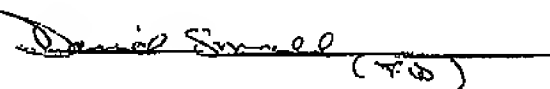
CCHHS CFO

 *Robert Bell*

CCHHS Director
Of Purchasing

 *Gerald Duffey*

CCHHS COO

 *Daniel Smell*
(T.O.)

CONTRACT REQUEST FROM COOK
HOSPITALS
SYSTEM
Revised

Date: September 15, 2008

Sponsor: Richard Keen, M.D.
Chairman

Operating Unit: Surgery/Perioperative, Bureau of Health Systems

Description of Services: Request to enter into a number of contracts for the purchase of surgical orthopaedic implant, fixative devices and consumable supplies for the John H. Stroger, Jr. Hospital of Cook County.

Justification for This Contract:

<u>Req. No.</u>	<u>Vendor</u>	<u>Amount</u>
88970568	Styker Orthopaedics Chicago, Illinois	\$3,260,816.00
88970567	Synthes, USA West Chester, Pennsylvania	\$1,847,213.00
88970565	Stryker Spine Wood Dale, Illinois	\$1,200,000.00
88970570	Smith & Nephew Inc. Memphis, Tennessee	\$ 562,436.00
88970569	DePuy Warsaw, Indiana	\$ 425,535.00
88970571	Zimmer Daniel Elgin, Illinois	\$ 367,500.00
88970572	DePuy Spine Raynham, Massachusetts	\$ 320,000.00
88970566	Synthes Spine Paoli, Pennsylvania	\$ 100,000.00

The supplies and implants requested herein are single patient use items, which are replacement parts for existing orthopaedic surgical systems. Components of one system are not interchangeable with other instruments. The above vendors are the only known manufacturers and distributors for these items.

4

Cost of the
Current Contract: Fiscal Impact: \$8,083,500.00

<u>Budget Information:</u>	Fiscal Year 2008:		2009:
	{88970567}	\$ 462,000.00	\$1,385,213.00
	{88970565}	\$ 320,000.00	\$ 880,000.00
	{88970568}	\$ 815,185.00	\$2,445,631.00
	{88970570}	\$ 140,609.00	\$ 421,827.00
	{88970569}	\$ 106,384.00	\$ 319,151.00
	{88970571}	\$ 91,875.00	\$ 275,625.00
	{88970572}	\$ 80,000.00	\$ 240,000.00
	{88970566}	\$ 25,000.00	\$ 75,000.00

Signatures:

Sponsor
CCHHS CFO

Pat. Bell

CCHHS Director
Of Purchasing

James A. Duffy

CCHHS COO

David Small

**CONTRACT REQUEST FROM COOK COUNTY HEALTH AND
HOSPITALS
SYSTEM**

WITHDRAWN

Date: September 22, 2008

Sponsor: Bradley G. Langer, M.D.
Chairman

Operating Unit: Department of Radiology , Bureau Health Systems

Description of Services: Requesting renewal of Contract Number 05-41-192 for the provision of on site radiation therapy services with Chicago Radiation Oncology, S.C. for the Department of Radiology at John H. Stroger, Jr., Hospital of Cook County.

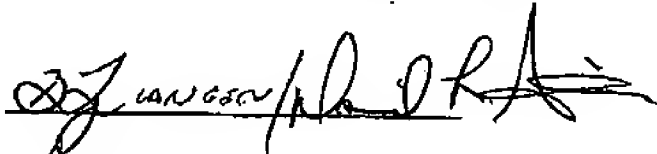
Justification for This Contract: This contract will provide continuity of care to the patients through non-interruption of patient care provider services for the patient care system. The continued increases in the number of patients at Stroger Hospital of Cook County have received absolutely excellent care and the clinical cooperation between the staff of this group and the hospital has been exemplary. Particularly impressive has been the successful efforts of this group to deliver user-friendly, humane, caring service for this very vulnerable patient population. The model cooperative effort of this group and the hospital has continued and matured into a solid clinical partnership.

Cost of the Current Contract: Fiscal Impact: \$ 7,920,000.00

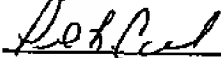
Budget Information: Fiscal Year: December 16, 2008 through December 15, 2010

Signatures:

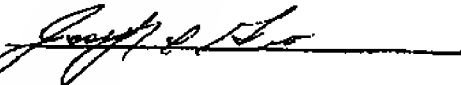
Sponsor



CCHHS CFO



CCHHS Director
Of Purchasing



CCIHS COO



CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

WITHDRAWN

Date: September 22, 2008

Sponsor: Richard Keen, M.D.
Chairman

Operating Unit: Department of Surgery, Bureau of Health Systems

**Description of
Services:**

For the purchase of surgical supplies for Contract Number 05-45-55 for the Department of Surgery for the John H. Stroger, Jr., Hospital of Cook County.

**Justification for
This Contract:**

Amend: To change the name of the vendor from University of Illinois Medical Center (FEIN 466923) to read Medtronic USA Inc. (FEIN 739897) for Purchase Order Number 162196 Contract Number 05-45-55.

Cost of the

Current Contract: Fiscal Impact: None

Budget Information: 531200 531210

Signatures:

Sponsor

Richard Keen
9-22-08

CCHIHS CFO

Leh Cull

CCHIHS Director
Of Purchasing

Leslie Duffie

CCHIHS COO

David Small

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 22, 2008

Sponsor: David R. Small, F.A.C.H.E.
Chief Operating Officer

Operating Unit: Bureau of Health Systems

Description of Services: Request to extend for three (3) months (November 1, 2008 through January 31, 2009) for Contract Number 04-53-481 with Angelica Textile Services, Chicago, Illinois for the provision of laundry linen services for the Bureau of Health Systems.

Justification for This Contract: This request is necessary to allow sufficient time for the evaluation, award, and implementation of the new contract.

Cost of the Current Contract: Fiscal Impact: None

Budget Information: 897 - 330

Signatures:

Sponsor

CCHHS CFO

Rob Bell

CCHHS Director
Of Purchasing

Joseph P. Di

CCHHS COO

David Small (COO)

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 18, 2008

Sponsor: Joanne Dulski
System Wide Administrator, Director of Laboratories

Operating Unit: Department of Pathology, Bureau of Health Systems

Description of

Services: Requesting to extend for five (5) months (October 1, 2008 through February 28, 2009) for Contract Number 05-72-230R with Northwestern Pharmaceuticals, Lincolnwood, Illinois for the purchase of glycohemoglobin reagent kits and supplies for the Department of Pathology for the John H. Stroger, Jr., Hospital of Cook County.

Justification for

This Contract: This request is necessary to allow sufficient time for the execution and implementation of the new contract.

Cost of the

Current Contract: Fiscal Impact: None

Budget Information: 897 - 362

Signatures:

Sponsor

Joanne Dulski 9-19-08

CCHHS CFO

Rob Bell

CCHHS Director
Of Purchasing

Joseph S. Shaw

CCHHS COO

David Small

8

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Revised

Date: September 22, 2008

Sponsor: Sharon Borchert
Director

Operating Unit: Department of Nutrition and Food Services, Bureau of Health Systems

Description of Services: Request to extend for two (2) months (November 3, 2008 through January 2, 2009) for Contract Number 06-84-432 with La Paloma Scientific Inc., Freeport, Illinois for the purchase of soap and detergents for the Department of Nutrition and Food Services for John H. Stroger, Jr., Hospital of Cook County.

Justification for This Contract: This request is necessary to allow sufficient time for the evaluation, award, and implementation of the new contract.

Cost of the Current Contract: Fiscal Impact: None

Budget Information: 897 - 330

Signatures:

Sponsor Sharon K. Borchert (Sharon K. Borchert)

CCHHS CFO Robert Call

CCHHS Director
Of Purchasing Leslie Duff

CCHHS COO David Small (COO)

9

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 18, 2008

Sponsor: George R. Cybulski, M.D.
Chairman

Operating Unit: Department of Surgery/Neurosurgery, Bureau of Health Systems

**Description of
Services:**

Request to increase by \$40,000.00 for Contract Number 07-45-136 for the complete Halo Systems and Accessories with PMT Corporation for the Department of Surgery for John H. Stroger, Jr., Hospital of Cook County.

**Justification for
This Contract:**

The Halo Ring and Vest is necessary to restore alignment and to provide external stabilization for cervical spine instability attributable to a wide variety of pathologies (trauma, neoplasm, infection, and severe degenerative disease). Trauma related usage is prone to seasonal variation, just as use for non-traumatic indications sometimes experiences unpredictable increases. Over the past year, we have experienced a sharp increase in cases requiring application of the halo apparatus.

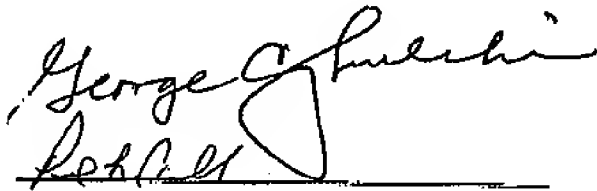
Cost of the

Current Contract: Fiscal Impact: \$40,000.00

Budget Information: 897 - 362

Signatures:

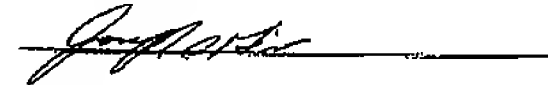
Sponsor



CCHHS CFO



CCHHS Director
Of Purchasing



CCHHS COO



CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 18, 2008

Sponsor: Joanne Dulski
System – Wide Administrator, Director of Laboratories

Operating Unit: Department of Pathology, Bureau of Health Systems

**Description of
Services:**

Request to increase by \$32,873.00 for Contract Number 06-45-630 for the provision of specialized cytogenetic and/or fluorescence in situ hybridization (FISH) laboratory testing services with Rush University Medical Center for the Department of Pathology for John H. Stroger, Jr., Hospital of Cook County.

**Justification for
This Contract:**

The cytogenetic testing has increased by 12% since the inception of this contract due to the advances in medical genetic testing this will cover the cost of specialized cytogenetic testing performed on both Adult and Pediatrics patients until the end of the contract date October 31, 2008.

**Cost of the
Current Contract:** Fiscal Impact: \$32,873.00

Budget Information: 897 - 278

Signatures:

Sponsor

Joanne M. Dulski 9-19-08

CCHHS CFO

Robert L. L...

CCHHS Director
Of Purchasing

Joseph A. L...

CCHHS COO

Daniel O. B...

COOK COUNTY HEALTH AND HOSPITAL SYSTEMS
INCREASE REQUEST ITEM FOR BOARD APPROVAL

Date: September 10, 2008

Sponsor: Julie Bonello,
Chief Information Officer

WITHDRAWN

Operating Unit: Cook County Health and Hospital Systems
Health Information Systems

Description of Services: Siemens Medical Corporation (Contract No. 06-41-274)
▪ Patient Statement Mailers Fees

Justification for this Increase: Our Siemens contract for the last three (3) years expires January 09, 2009. During the three (3) year contract period CCHHS began to generate patient statement mailers for self-pay patients, the cost of which was never included in the original contract. Therefore, CCHHS doesn't have enough funds on the current contract for the remaining three (3) months. The attachment describes in detail the funds needed for payment of these services to continue.

Cost of the Increase and Terms: This increase is \$666,989.30. This increase will allow patient statement mailers to be provided until 01/09/09.

Budget Information: Fiscal Impact 2008: \$666,989.30
Approval of this item will commit Fiscal Year(s)
2008 (890-441 Account)

Signatures:

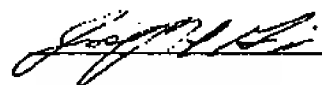
Sponsor



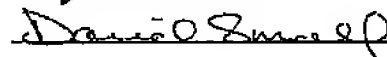
Operating Unit CFO



**CCHHS Director
of Purchasing**



CCHHS COO



CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 22, 2008

Sponsor: David R. Smith, F.A.C.H.E.
Chief Operating Officer

Operating Unit: Bureau of Health Systems

**Description of
Services:**

Request to increase by \$60,000.00 and extend for six (6) months (May 20, 2008 through November 20, 2008), Contract Number 06-54-423R with Language Line Services Inc., Monterey, California for the provision of telephonic interpreting services for the Bureau of Health Systems.

**Justification for
This Contract:**

This request is necessary to allow sufficient time for the evaluation, award, and implementation of the new contract.

Cost of the

Current Contract: Fiscal Impact: \$60,000.00

Budget Information: 897/898 - 220

Signatures:

Sponsor

CCHHS CFO

CCHHS Director
Of Purchasing

CCHHS COO

David R. Smith

Joseph A. Smith

David R. Smith (CO)

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 22, 2008

Sponsor: David R. Smith, F.A.C.H.E.
Chief Operating Officer

Operating Unit: Bureau of Health Systems

**Description of
Services:**

Request to increase by \$407,040.00 and extend for three (3) months (September 6, 2008 through December 6, 2008), Contract Number 07-72-293 with Smith Thomas Williams Healthcare Inc., New York for the provision of temporary radiology and laboratory staffing services for the Bureau of Health Systems.

**Justification for
This Contract:**

This request is necessary to allow sufficient time for the evaluation, award and implementation of the new contract.

Cost of the

Current Contract: Fiscal Impact: \$407,040.00

Budget Information: 240, 891, 897, 898 - 260

Signatures:

Sponsor

CCHHS CFO

CCHHS Director
Of Purchasing

CCHHS COO

David R. Smith

Joseph J. Smith

David R. Smith

Cook County Health and Hospitals System

Contract Item for Board Approval

9/16/08

Sponsor: Sidney Thomas,
Chief Operating Officer

Operating Unit: Provident Hospital of Cook County

Description of Service:

We are requesting approval to award and execute this contract for Critical Care Advanced Treatment Beds with Alliance Health Services, Inc. (Base Bid).

Justification for this contract:

A request for bid proposals was initiated, bid proposals evaluated by the user department/service, and Alliance Health Services, Inc. was chosen by virtue of them meeting all specifications, meeting MBE/WBE ordinance requirements, and being the lowest qualified bidder.

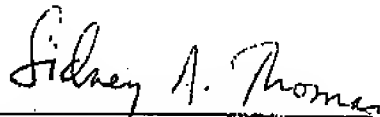
Cost of the contract and terms:

This is a One Time Purchase in the amount of \$127,482.13.

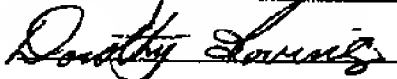
Budget information: The cost for this contract has been provided for within the current Capital Equipment Budget 717.

Signatures:

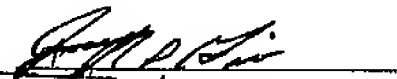
Sponsor



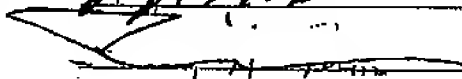
Operating Unit CFO



CCHHS Director
of Purchasing



CCHHS COO



CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Revised

Date: September 22, 2008

Sponsor: David R. Small, F.A.C.H.E.
Chief Operating Officer

Operating Unit: Bureau of Health Systems

Description of
Services:

This contract, 08-45-225 is for the purchase of fresh produce with the following health institutions John H. Stroger and Oak Forest Hospital, of Cook County.

Justification for
This Contract:

A request for bid proposals was initiated, bid proposals evaluated by the user department/service, and Finer Foods, Inc. was chosen by virtue of them meeting all specifications, meeting MBE/WBE ordinance requirements, and being the low bidder.

Cost of the contract
and terms:

This is a one year contract to commence upon approval. The total cost of the contract is \$173,648.74.

Budget Information:

Approved by Sections I and II

Signatures:

Section I: \$ 93,999.50 John Stroger Hospital. (897)
Section II: \$ 79,649.24 Oak Forest Hospital (898)
Fiscal Impact: \$173,648.74.

Sponsor

David R. Small

CCHHS CFO

Robert C. C.

CCHHS Director
Of Purchasing

Joseph P. S.

CCHHS COO

David R. Small (COO)

CONTRACT REQUEST FROM COOK COUNTY HEALTH AND HOSPITALS SYSTEM

Date: September 22, 2008

Sponsor: Bradley G. Langer, M.D.
Chairman

Operating Unit: Department of Radiology, Bureau of Health Systems

**Description of
Services:**

This contract, 07-73-492 is for the purchase of system, computerized tomography (CT), full body, 64-slice scanning with software interface to the picture archiving and communication system (PACS) with trade-in of a Siemens Somatom plus-4 CT scanner with accessories with John H. Stroger Jr., Hospital of Cook County.

**Justification for
This Contract:**

A request for bid proposals was initiated, bid proposals evaluated by the user department/service, and Northwestern Pharmaceuticals and Supply Corporation was chosen by virtue of them meeting all specifications, meeting MBE/WBE ordinance requirements, and being the low bidder.

**Cost of the contract
and terms:**

This is a one time contract sufficient funds have been appropriated to cover this request. The request has been reviewed by the Capital Committee.

Budget Information:

Signatures:

Fiscal Impact: \$2,221,950.00 (Alternate Bid) {897 - 540}

Sponsor



CCHHS CFO



CCHHS Director
Of Purchasing



CCHHS COO



**Cook County Health and Hospital Systems
Finance Committee
Contract Item for Board Approval,**

Sponsor: David R. Small, F.A.C.H.F. Interim Chief Executive Officer,

Operating Unit: Cook County Health and Hospital Systems

Description of Service:

Authorization is requested to enter into contract with DMS Pharmaceutical Group, Inc. for the provision of Intravenous Solutions, Equipment and Supplies. Contract number 08-15-529H.

Justification for this contract:

DMS Pharmaceutical Group, Inc. is the lowest qualified bidder meeting specifications for Section I (Items 1 base to 30 base) and Section VI (Items 76 alt, 77, 78, 79 alt, 81, 85, 86 alt, 87, 88).

Items 85, 87: The apparent lowest bidder Ekla Corporation, while meeting specifications, was found to be non-responsive to the Minority and Women Owned Business Enterprises Ordinance as determined by the Contract Compliance Administrator.

I respectfully request that the following items be canceled and rebid:

Section II (Items 31 thru 36), Section III (Items 37 thru 39), Section IV (Items 40 thru 49), Section V (Items 50 thru 54), and Section VI (Items 74, 75, 80, 82, 83): Ekla Corporation, while meeting specifications, was found to be non-responsive to the Minority and Women Owned Business Enterprises Ordinance as determined by the Contract Compliance Administrator. Since all others exceeded the competitive cost levels for these items, I respectfully request that these items be canceled and rebid.

Items 84: Progressive Industries, Inc. failed to provide firm pricing as specified. Ekla Corporation, while meeting specifications, was found to be non-responsive to the Minority and Women Owned Business Enterprises Ordinance as determined by the Contract Compliance Administrator. Since all other bidders exceeded the competitive cost level for this item, I respectfully request that this item be canceled and rebid.

Items 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 89, 90, 91, 92, 93, 94, 95, 96: Since there were no bidders for these items, I respectfully request that these items be canceled and rebid.

Cost of the contract and terms:

This is a 22 month contract to commence upon Board Award and end on July 31, 2010. The total anticipated cost of this contract is \$1,263,140.67.

18

Budget information: The cost for this contract has been provided for within the current operating budget of 2008 and future year funds for Pharmaceutical Supplies 240/891/897/898-361 Account.

Signatures:

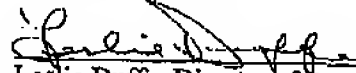
Sponsor


David R. Small, F.A.C.H.E., Interim CEO, CCHHS

Operating Unit CFO


Plt Calkin, Interim Chief Financial Officer, CCHHS

Director, Purchasing


Leslie Duffy, Director of Procurement, CCHHS

**CONTRACT REQUEST FROM COOK COUNTY HEALTH AND
HOSPITALS
SYSTEM**

Date: September 22, 2008

Sponsor: David R. Small, F.A.C.H.E.
Chief Operating Officer

Operating Unit: Bureau Health Systems

Description of Services: Requesting payment in the amount of \$1,492,526.00 to Respiratory Health Association of Metropolitan Chicago (RHAMC), Chicago, Illinois for the provision of Smoke Free Lung Health Program of Cook County designed to expand smoking cessation services and improve asthma outcomes in Cook County. Contract Number 08-41-215 was Approved by the County Board on March 18, 2008 contract period from March 6, 2008 through March 5, 2013 for the Bureau of Health Systems.

Justification for This Contract:

As Chicago's lung health leader since 1906, RHAMC is a natural partner for this project. RHAMC has been a leader in delivering tobacco cessation services to the Chicago community and in training individuals to deliver tobacco cessation. RHAMC participated in or leads numerous local asthma initiatives in Cook County, including: Addressing Asthma in Englewood; Controlling Pediatric Asthma through Collaboration and Education; and the Stakeholders Collaboration to Improve Student Health.

In Cook County, 690,000 adults smoke cigarettes, with increased smoking rates in the lowest socio-economic neighborhood. Research shows that cessation programs in hospitals, health centers, and other community settings effectively reduce morbidity and mortality from smoking. These programs are cost-effective because they reduce the burden of tobacco related illness upon the community and the County.

The rates of asthma and hospitalizations due to asthma in Cook County and Illinois are nearly double national rates, especially among African-American and Puerto Rican Communities. National and local studies have shown improved childhood asthma outcomes can be achieved through education delivered by health care organizations and trained community health educators.

Cost of the Current Contract: Fiscal Impact: \$ 1,492,526.00.

Budget Information: Fiscal Year: 890 - 298


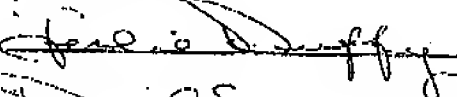
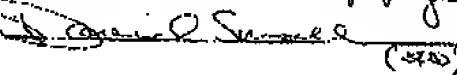
Signatures:

Sponsor

CCHHS CFO

CCHHS Director
Of Purchasing
CCHHS COO

CSJ 10/22/08



 (478)

Cook County Health and Hospitals System

Contract Item for Board Approval

Date: 9/16/08

Sponsor: Sidney A. Thomas,
Chief Operating Officer

Operating Unit: Provident Hospital of Cook County

Description of Service: Requesting approval for a Payment Only in the amount of \$17,513.00 to Midwestern University, Downers Grove, IL for Education and Training Program for Emergency Medicine Residents.

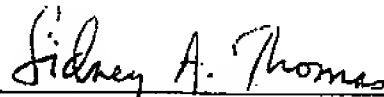
Justification for this contract: This request is required to pay for COLA adjustments for the ER residents as allowed for in Master Agreement 01-41-947. Due to clerical error, the department failed to submit the increase request during the contract period 7/1/05 through 6/30/06 of the adjustment.

Cost of the contract and terms: This is a one time increase request in the amount of \$17,513.00.

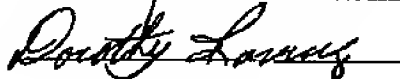
Budget information: The cost for this contract has been provided for within the current operating budget account 8910506.521070.

Signatures:

Sponsor



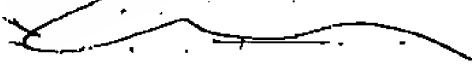
Operating Unit CFO



CCHHS Director
of Purchasing



CCHHS COO



Cook County Health and Hospitals System

Contract Item for Board Approval

Date: 9/16/08

Sponsor: Sidney A. Thomas,
Chief Operating Officer

Operating Unit: Provident Hospital of Cook County

Description of Service: Requesting to increase purchase order 160364 in the amount of \$3,549.00 with Cox Consulting Life Safety Assessment & Documentation Review follow-up.

Justification for this contract: The vendor provided additional critical assessments and statement of conditions, including Part-2 Basic Building Information , Part-3 Life Safety assessment and Part-4 Plans for Improvement to identify and address life safety issues and deficiencies throughout the hospital. The vendor also provided an assessment report, electronic statement of conditions for Joint Commission submission.

Cost of the contract and terms: This is a one time increase request in the amount of \$3,549.00.

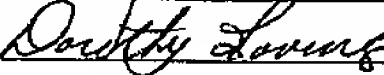
Budget information: The cost for this contract has been provided for within the current operating budget account 8900901.

Signatures:

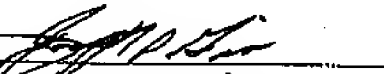
Sponsor



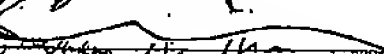
Operating Unit CFO



CCHHS Director
of Purchasing



CCHHS COO



COOK COUNTY HEALTH AND HOSPITAL SYSTEMS
ADVERTISE TO BID ITEM FOR BOARD APPROVAL

Date: August 20, 2008

Sponsor: Julie Bonello,
Chief Information Officer

Operating Unit: Cook County Health and Hospital Systems
Health Information Systems

Description of Services: Lexmark Toner Cartridges

Justification for this Contract: Approval of this request will allow an awarded vendor to supply Lexmark toner cartridges across the Cook County Health and Hospitals Systems. The HIS department currently maintains over 800 Lexmark printers across the Health and Hospitals Systems. We currently use over 5000 toner cartridges throughout the System.

Cost of the Increase and Terms: This contract is estimated at [REDACTED] with a duration of two years, effective 01/09/2009 through 01/08/2011.

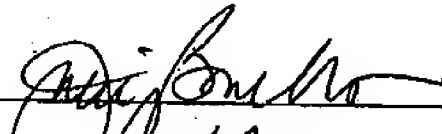



Budget Information: Fiscal Impact: [REDACTED]
Fiscal 2009: [REDACTED]
Fiscal 2010: [REDACTED]
Fiscal 2011: [REDACTED]
Approval of this item will commit Fiscal Year(s)
2009 - 2012 (890-388 Account)

Signatures:
Sponsor

Operating Unit CFO

**CCHHS Director
of Purchasing**

CCHHS COO





DS

**Cook County Health and Hospital Systems
Finance Committee
Contract Item for Board Approval,**

Sponsor: David R. Small, F.A.C.H.E., Interim Chief Executive Officer,

Operating Unit: Cook County Health and Hospital Systems

Description of Service:

Authorization is requested to cancel and rebid contract number 08-15-147H for the purchase of Paper Grocery Bags.


Justification for this contract:

The apparent lowest bidder, 1 Source Solutions (base and alternate bids) is not offering a firm price as specified. The second apparent lowest bidder, Q.C. Enterprises, Inc. while meeting specifications, was found to be non-responsive to the Minority and Women Owned Business Enterprises Ordinance as determined by the Contract Compliance Administrator.

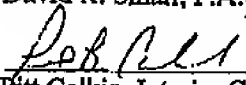
Since all other bidders exceeded the competitive cost levels for these items. I respectfully request that this contract be canceled and rebid.

Signatures:

Sponsor


David R. Small, F.A.C.H.E., Interim CEO, CCHHS

Operating Unit CFO


Pitt Calkin, Interim Chief Financial Officer, CCHHS

Director, Purchasing


Leslie Duffy, Director of Procurement, CCHHS